

A38 FRIDAY, APRIL 11, 1986 ...

THE WASHINGTON POST

Spy Case Defendant Claims Link to CIA

Revealing Agents Was U.S. Plan, He Says

By Caryle Murphy
Washington Post Staff Writer

Richard Craig Smith told the jury at his trial in Alexandria yesterday that he disclosed details of Army-run double-agent operations to a Soviet official in Tokyo as part of a CIA operation to lure the Soviets into an illegal contact with an American in the United States.

Smith, a former Army counter-intelligence specialist accused of disclosing the identities of six double-agent operations to the Soviets for \$11,000, testified in his own defense for nearly three hours in U.S. District Court as his parents, wife and other family members watched from the crowded gallery.

Under cross-examination, Smith said he had not disclosed the CIA connection in a series of FBI interviews over 10 months because he wanted to protect the operation. When federal prosecutor Joseph J. Aronica countered with the suggestion that he invented the CIA link based on news accounts of a defunct CIA operation run out of Honolulu that appeared after his arrest in April 1984, Smith denied seeing the news reports.

His testimony, which was countered by government witnesses in several respects, concluded his defense against charges of conspiracy, transmitting the

identities of the double-agent operations and disclosing classified information, all accusations he denied.

In an unusual move, presiding U.S. District Judge Richard L. Williams then called a former CIA agent to the stand, saying he wanted some evidence on the record. Williams said neither the defense nor the government planned to have the man, Charles Richardson, testify.

Prosecutor Aronica, visibly angry at the judge's move, told Williams: "That is not correct, your honor. The government had every intention of calling the witness" as part of its rebuttal. Richardson had been subpoenaed by Smith's attorneys, but they did not call him to testify.

Under questioning by Williams, Richardson testified that he had used the name Richard P. Cavanaugh as an alias and the Honolulu investment firm of CMI Investments as a cover for his work.

Smith had testified that he was recruited in Tokyo by two men—Ken White and Danny Ishida—who said they were from the CIA and who showed him a CMI business card with the name Cavanaugh and a Honolulu telephone number. He said he approached the Soviet official—a KGB officer—posing as a businessman who "could possibly be bought."

Under questioning by Aronica, Richardson denied knowing Smith

and denied telling him on the phone to lie about his Tokyo contacts to the FBI.

Smith had testified that he had not disclosed he was working for the CIA to the FBI agents because he had been told by a CIA agent "to keep your mouth shut" and because he believed the CIA would eventually inform the FBI that he had been working on an authorized mission.

Smith said FBI testimony about his statements to agents was "essentially correct," but he disputed details. He denied, for example, telling them he was acting out the plot of a novel he had written when he contacted the Soviet official or that he had become ill after the contacts.

He also testified he repeatedly asked for a CIA representative to be present at FBI interviews so that he could tell the complete story of his contacts. He feared a Justice Department "attorney would attempt to make a career of [his story] before" its background was known, he said.

FBI agent Michael J. Waguespack testified yesterday that Smith never asked for a CIA representative when he was interviewed.

In further rebuttal to Smith's testimony, the government called Peter Ernest of the CIA, who testified there was no record of White or Ishida in the agency's files.

Smith's former boss, Lt. Col. Noel E. Jones of the Army's Intelligence and Security Command, testified that none of the double-agent operations Smith acknowledged disclosing to the Soviet official had been authorized for disclosure, as Smith had claimed.

The jury is expected to begin deliberating today. Smith, 42, could be sentenced to life imprisonment if convicted.

THE WASHINGTON POST

DATE: 10 APRIL 1986PAGE: A-9

Witness Says Defendant Knew Of Double-Agent Operations

By Caryle Murphy
Washington Post Staff Writer

Former Army counterintelligence specialist Richard Craig Smith, accused of divulging six double-agent operations to the Soviets, was familiar with 21 such operations, his ex-supervisor testified yesterday in federal court in Alexandria.

Lt. Col. Noel E. Jones, deputy director for counterintelligence at the Army's Intelligence and Security Command, said Smith was the case officer or alternate case officer for those operations while he worked in military counterintelligence from 1973 to 1980.

The government yesterday rested its case against Smith, who is charged with conspiracy, transmitting the identities of six double agents to the Soviets and disclosing classified information, all charges he denies. He faces a life sentence if convicted.

Smith is accused of disclosing the double-agent operations to a Soviet KGB officer while on business trips to Tokyo in 1982 and 1983, according to his indictment. But FBI agents have testified that Smith

told them he made an unsuccessful attempt to contact Soviet officials in San Francisco during the summer of 1981.

FBI agents Michael J. Waguespack and James Murphy said Smith sent a letter with his Army badge and credentials to the Soviet consulate by messenger offering information. But the Soviets never responded as the agents said Smith had instructed them: by placing a personal ad in a certain newspaper.

Federal prosecutors also presented testimony that Smith was deeply in debt just before he met the Soviet official in Tokyo. But his father, Hyrum Max Smith, and his brother, C. Todd Smith, testified that they were lending money to Smith and that he was not under pressure to repay them.

The defense is expected to call two witnesses today who had ties with the CIA in an attempt to corroborate Smith's claim that he was working for the CIA when he contacted the Soviet official in Tokyo.

Those witnesses are former CIA employe Charles Richardson, also known as Richard P. Cavannaugh, and Ronald R. Rewald, director of a defunct Hawaiian investment firm that was used by the CIA as a front.